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## THE FARMERS STAKE IN PRICE CONTROL

Broadcast by Chester Bowles, Administrator, Office of Price Administration,  
Recorded: October 11, 1945. Time: 5 minutes, 25 seconds.

### ANNOUNCER'S OPENING AND CLOSING

#### Opening

ANNOUNCER: (LIVE)

Many farmers remember what happened to prices after the first World War . . . and they're wondering what's going to happen this time. The Office of Price Administration is trying to keep prices at levels it hopes will help farmers. You can help this program by knowing the ceiling prices of things you buy . . . by not paying more than ceiling prices . . . by reporting any overcharges to the Price Panel of your War Price and Rationing Board. . . . By telling your neighbors how price control protects farmers' earnings and savings.

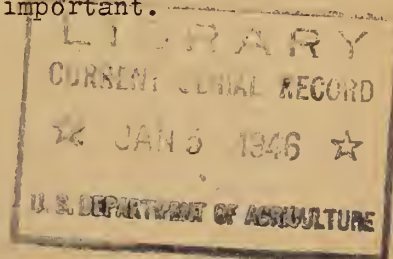
By transcription, here's OPA Administrator Chester Bowles to tell you about the farmers' stake in price control.

#### Closing

ANNOUNCER: (LIVE)

This fall you may hear about the importance of price control during reconversion from your county agent or home demonstration agent . . . and what you can do to help make the program work. You've heard Chester Bowles, OPA Administrator explaining why your cooperating is important.

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THE FARMERS' STAKE IN PRICE CONTROL

A talk by Chester Bowles, Administrator, Office of Price Administration. Recorded October 11, 1945. Time: 5 minutes, 25 seconds.

BOWLES: (TRANSCRIPTION)

Hello everybody. I'm always glad to get a chance to talk with you who live on farms and ranches, because I know you are so vitally concerned in our efforts to hold down the cost of living and to pave the way to continued prosperity for all of us.

No one recognizes the importance to farmers of a stable economy better than your friend and mine, Clinton Anderson. I have been working closely with him in his job as Secretary of Agriculture these past few months. I can assure you that both of us want to do everything possible to help you farm people keep high production and good prices.

This is a pretty big problem, and I know you all must be thinking about it -- about what's ahead for the farmer. Nobody knows exactly what's going to happen, now that the war is over. But we do know this -- getting the full prosperity that we want is a problem for everybody -- the working man, the business man, and the industrialist as well as the farmer.

Of course I know that farmers have had more "downs" and fewer "ups" than most other groups. I remember that in 1939 the income of the average farm family was less than half the income of the average city family. You farmers have had more than your share of lean years along with these last few profitable years. Most of you can remember only too well when plentiful food crops were wasted or sold for a song -- when farm prices were at rock bottom because people simply didn't have the money to create a good market at food prices.

That's why I'm sure our Nation's farmers realize that if we have inflation now -- if we let prices skyrocket -- that we are inviting another depression. It has always happened -- when prices shoot up too fast, they always have crashed and caused a depression that has ruined farmers and other folks alike.

There must be many of you listening to this broadcast who remember how inflation fooled nearly everybody after the First World War.

There was a lull after the Armistice in 1918 while millions of workers were getting established in new peacetime jobs. What few price controls we had then, were dropped quickly. But then prices turned upward. Within seven months an inflation was in full swing. A mad scramble to buy all the goods that were available drove prices higher.

In mid-1920 came the inevitable collapse. Factories closed, farm prices crashed. Almost a half million farmers lost their farms by foreclosure in four years. Farm income in 1920 fell to about half what it had been in 1919.

Agriculture did not recover from that catastrophe until World War Two.

I don't think we want to be fooled again,



That's why I want to assure you that OPA is going to keep on holding down the cost of the staple foods you have to buy. We're going to get tighter controls over the prices of the clothing you need . . . and over your farm house furnishings. What's even more important, we're going to keep on holding down prices on your farm equipment just as we have kept them down for the past four years. Also, that new car you're looking forward to buying.

In every possible way your Government is determined to control prices now -- until our factories are producing enough goods to provide all the things people want to buy. For the first time in history, we have a chance to come through a war without the "boom and bust" that have followed every other war.

This time -- up to now -- I believe we have been pretty successful in keeping prices from going hog wild. If we can keep prices in hand for just a few more months -- until our factories catch up with our buying power -- we can avoid the crash that inflation has brought on after every war for 5,000 years.

And I want to say again what I have said many times -- when that day comes that there is enough goods, and all danger of inflation is past, then OPA won't be needed. And you can be sure we will all be glad to get back to our peacetime jobs too.

But in the meantime let's remember this. The farmer and rancher probably have more to gain by one control over prices than any other group. Because farmers have always been hurt worse than most other people in an economic collapse.

If we should allow inflation to break loose now, the prices of things farmers buy would go up much higher -- and probably a good deal faster -- than the prices of things farmers sell. And when the collapse came, the prices of things farmers sell would fall first and farthest. That's what has always happened before.

Our present safeguards can help keep our economy on an even keel in the coming months, if our people understand what our country faces. From talking with many of you, I know you are anxious to cooperate with the price control program the way you did during the war years. We certainly need your help in providing a sound foundation on which farmers, workers, management and government can work together for continued high production, full employment and good incomes. Not for a limited few -- but for all of us. Whatever we do -- wherever we live.